

FAIR LAWN RENT LEVELING BOARD

September 16, 2014

Meeting was called to order by Chairman Aversa at 6:35 p.m.

A statement was read by Chairman Aversa that the meeting complied with the New Jersey Open Public meeting Law.

Present: Michael Aversa, Marilyn Carlin, Arlene Glassman, Sharon Metzger, Saul Rochman, Michael O'Dea and Robert Waxman

Absent: Amy Sprechman DeBellis, Mark Singer and Anthony Lauro (Alternate Landlord)

Also present: Charles Tregidgo, Esq., Attorney to Board and Marianne Pettineo, Secretary to Board

Correspondence: Secretary Pettineo noted that a letter was sent to Michael Aversa, Property Manager for Affiliated Management, granting final approval for the units at Fair Lawn Properties and Bergen Properties discussed at the June 24, 2014 meeting. She also noted that a letter of resignation was received from Alternate Tenant, Marilyn Carlin, who was moving out of the area. She wished Marilyn the best of luck.

Robert Waxman asked the basis upon which the rental units of the promenade were exempt from Rent Control. Attorney Tregidgo explained that new construction was exempt from rent control for 30 years from the date of the first occupancy. Member Glassman stated that the time period was 30 years unless the mortgage was paid off sooner. Attorney Tregidgo stated that if they take a 30 year mortgage, that is the statute. He read the section that stated "the period of amortization means the time during which the principal amount of the mortgage would be paid during periodic payments, whether or not the term of the mortgage is for a shorter period, including a balloon payment".

Minutes: Upon motion by Michael O'Dea and a second by Saul Rochman, the minutes for the meeting of June 24, 2014 were unanimously approved.

Applications for Capital Improvements Qualifying for Vacancy Decontrol and Certifications of Completion of Work:

Submitted by Fair Lawn Properties, c/o Affiliated Management, Inc., for units at 17-17 Chandler Drive, 15-11 Chandler Drive, 16-32 Chandler Drive and 20-04 Chadwick Place (Applications No. FL12-2014 to FL15-2014 respectively).

Acting Chairperson Aversa turned the meeting over to Member Glassman.

Michael Aversa, a representative of Fair Lawn Properties, presented the applications for discussion and summarized the work to be done, as complete renovations, as set forth on the itemized list for the applications, i.e., new kitchen cabinets, fixtures and appliances, kitchen floor, bathroom fixtures and vanity, plumbing, electrical upgrade, air conditioning unit in living room and bedroom, etc. He also presented the final inspection reports and Certificates of Approval, where applicable, from the Borough approving the plumbing, electrical and building work as follows:

Address	Assessed Value	Minimum for Capital Imp.	Cost of Improvement	Inspection Approval Date
17-17 Chandler Drive	\$74,963.00	\$11,244.00	\$18,332.00	4/29/14
15-11 Chandler Drive	\$74,963.00	\$11,244.00	\$18,820.75	6/12/14
16-32 Chandler Drive	\$74,963.00	\$11,244.00	\$18,284.00	6/6/14
20-04 Chadwick Place	\$85,672.00	\$12,851.00	\$18,332.00	6/10/14

Upon review of the applications, inspection certificates, bills and certification of completion of work for the subject units at Fair Lawn Properties referenced above, a motion was made by Saul Rochman and seconded by Sharon Metzger to accept the applications, as the work performed qualified as capital improvements, and to accept the certification of completion of work that the renovations have been completed and accepted by Board for vacancy decontrol, and the new rent shall be retroactive to the date of the final inspections as specified. Motion passed, with Michael Aversa abstaining.

Application for Capital Improvements Qualifying for Vacancy Decontrol and Certifications of Completion of Work:

Submitted by Hollow Run, c/o Affiliated Management, Inc., for unit at 13-23D Sperber Road (Application No. HR01-2014).

Michael Aversa, a representative of Hollow Run presented the application for discussion and summarized the work to be done as set forth on the itemized list for the applications, i.e., new kitchen cabinets, fixtures and appliances, kitchen floor, bathroom fixtures and vanity, plumbing, electrical upgrade, air conditioning unit in living room and bedroom, etc. He also presented the final inspection reports from the Borough approving the plumbing, electrical and building work as follows:

Address	Assed Value	Minimum for Capital Imp.	Cost of Improvement	Inspection Approval Date
13-23D Sperber Road	\$73,620.00	\$11,043.00	\$18,209.00	7/25/14

Upon review of the application, inspection certificates, bills and certification of completion of work for the subject unit at Hollow Run referenced above, a motion was made by Marilyn Carlin and seconded by Sharon Metzger to accept the application, as the work performed qualified as capital improvements, and to accept the certification of completion of work that the renovations have been completed and accepted by Board for vacancy decontrol, and the new rent shall be retroactive to the date of the final inspections as specified. Motion passed with Michael Aversa abstaining.

Application for Capital Improvements Qualifying for Vacancy Decontrol and Certifications of Completion of Work:

Submitted by Bergen Properties, c/o Affiliated Management, Inc., for unit at 25-01 Warren Road (Application No. B04-2014).

Michael Aversa, a representative of Bergen Properties presented the application for discussion and summarized the work to be done as set forth on the itemized list for the applications, i.e., new kitchen cabinets, fixtures and appliances, kitchen floor, bathroom fixtures and vanity, plumbing, electrical upgrade, air conditioning unit in living room and bedroom, etc. He also presented the final inspection reports from the Borough approving the plumbing, electrical and building work as follows:

Address	Assed Value	Minimum for Capital Imp.	Cost of Improvement	Inspection Approval Date
13-23D Sperber Road	\$73,620.00	\$11,043.00	\$18,209.00	7/25/14

Upon review of the application, inspection certificates, bills and certification of completion of work for the subject unit at Bergen Properties referenced above, a motion was made by Sharon Metzger and seconded by Saul Rochman to accept the application, as the work performed qualified as capital improvements, and to accept the certification of completion of work that the renovations have been completed and accepted by Board for vacancy decontrol, and the new rent shall be retroactive to the date of the final inspections as specified. Motion passed with Michael Aversa abstaining.

Old Business: There was no old business.

Public Comments: There were no public comments

New Business: Member Glassman asked if all the Rent Rolls were received. Secretary Pettineo confirmed all Rent Rolls were received.

Attorney Tregidgo addressed Member Glassman's previous question regarding the period of amortization for newly constructed dwellings. He reiterated that the statute referred to the length of the term of the first mortgage. If someone wanted to pay off their mortgage early or their mortgage called for it they can do so, since the period of amortization is defined as the term of the mortgage. Most banks give a mortgage that says it is going to be paid off over 30 years, but they are only going to give it for ten years since it is a commercial property. All commercial mortgages are given for a period of time but amortized for a longer period of time because they cannot prognosticate that far in advance. Bob Waxman clarified that the banks require the mortgage be paid off in ten years although the rate would be a 30 year amortization. At the end of the ten years, the statute would provide that the rent decontrol would continue for the entire 30 year period.

There being no further business coming before the Board, upon motion by Sharon Metzger and a second by Saul Rochman, it was unanimously agreed to adjourn the meeting at 6:53 p.m.



Marianne Pettineo
Marianne Pettineo
Secretary to Board